

EXHIBIT 2

Hearing

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

PHILLIPS, L.G., LCD CO., LTD,)
Plaintiffs,) C.A. No. 04-343 (JJF)
v.)
TATUNG CO., TATUNG COMPANY OF)
AMERICA, INC., and VIEWSONIC)
CORPORATION,)
Defendants.)

Hearing of above matter taken pursuant to notice before Renee A. Meyers, Registered Professional Reporter and Notary Public, in the law offices of BLANK ROME, LLP, 1201 North Market Street, Wilmington, Delaware, on Thursday, December 28, 2006, beginning at approximately 11:30 p.m., there being present:

BEFORE: VINCENT J. POPPITI, SPECIAL MASTER

APPEARANCES:

THE BAYARD FIRM
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1 MR. CHRISTENSON: Thank you, Your Honor.	1 SPECIAL MASTER POPPITI: And it's tab
2 MR. MILLER: That's if I can get the	2 what?
3 Bates Nos. this week so they can start on it first thing	3 MR. AMBROZY: Tab four, your Honor.
4 next week, that would be great.	4 Probably the largest binder you have.
5 SPECIAL MASTER POPPITI: Can you do that	5 SPECIAL MASTER POPPITI: I have tab
6 with the Bates Nos.?	6 four. Page?
7 MR. CHRISTENSON: Yeah. I can give the	7 MR. AMBROZY: Page 4, your Honor.
8 Bates Nos., that's not a problem. It's the sales	8 SPECIAL MASTER POPPITI: And I am
9 summaries that were produced by Viewsonic. And I am	9 looking at what?
10 happy to provide the Bates Nos.	10 MR. AMBROZY: Supplemental Responses to
11 MR. MILLER: Thank you, Your Honor.	11 Request For Production No. 2.
12 SPECIAL MASTER POPPITI: Next, please.	12 SPECIAL MASTER POPPITI: I have it in
13 Let's move on, please.	13 front of me.
14 MR. CHRISTENSON: Your Honor, what	14 MR. AMBROZY: The very last one in
15 application would your Honor prefer to address next?	15 there, Viewsonic refers to service manuals, and I will
16 SPECIAL MASTER POPPITI: Let's go to	16 probably refer to that as well. Basically, Viewsonic
17 9/27, 2006, technical and mounting related discovery.	17 agrees to produce service manuals which are the type of
18 MR. AMBROZY: This is Rel Ambrozy. I	18 -- it's probably a pamphlet that would come when you buy
19 will be arguing that application for you.	19 your monitor, and, basically, it shows some detail of the
20 SPECIAL MASTER POPPITI: Thank you, sir.	20 monitor, but -- and this is their position, that that was
21 MR. AMBROZY: And just -- do you have	21 all the documents that they had in their possession,
22 any questions before I get started, your Honor?	22 custody, and control.
23 SPECIAL MASTER POPPITI: No, sir.	23 We have been going back and forth that
24 MR. AMBROZY: This is a general	24 we believe that there are more documents that they could
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1 overview. How we got here was LPL had served numerous	1 produce to us that have as much or better detail, and we
2 discovery, both written -- well, discovery requests going	2 have also been arguing about the production of monitors,
3 to both documents and things as well as interrogatories	3 actual monitors, themselves.
4 seeking information about the Viewsonic monitors.	4 SPECIAL MASTER POPPITI: I am aware of
5 Viewsonic -- and these requests were served back in	5 that.
6 November of '05.	6 MR. AMBROZY: So the point that we have
7 Viewsonic took the position that it did	7 come to is in the California litigation, we learned that
8 not have to give any information except for the VX 900,	8 Viewsonic had produced OEM contracts, specifically, with
9 which was the single monitor mentioned in LPL's	9 Jean.
10 complaint, but as LPL spelled out in both its complaint	10 Now, Viewsonic has informed this Court
11 and in all the discovery, the VX 900 was simply intended	11 that it produced those long ago, but in reality, most of
12 to act as an exemplar of what we defined as distant	12 the OEM contracts were produced shortly after the
13 products, which included computer monitors, flat screen	13 supplemental submission to this Court. But getting back
14 TVs, and so forth.	14 to the Jean documents in particular, I don't know if
15 So, beginning in, I think it was June or	15 Mr. Kirk is on the line.
16 July, the parties began to negotiate as to where and what	16 SPECIAL MASTER POPPITI: He should be.
17 would be produced, and it wasn't until September of '06	17 MR. KIRK: Yes, I am.
18 that Viewsonic decided to back off its objection to just	18 SPECIAL MASTER POPPITI: Thank you.
19 the VX 900 and decided to give what they referred to in	19 MR. AMBROZY: We had provided -- this
20 some of their supplemental responses as the technical	20 was only produced, as we said, on December 22nd, so the
21 documents.	21 Court does not have it in front of it, but Mr. Kirk might
22 And just for the Court's convenience, if	22 be able to send it to the Court's attention now, but the
23 you could put before you tab four out of LPL's Rule	23 point of it is, Viewsonic has taken the position that
24 7.1.1.	24 they don't have any custody or control over documents

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18 (Pages 66 to 69)

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<p>1 other than their service manuals, but we have learned 2 that, in the language of the contract that Viewsonic has 3 signed with Jean, which is their OEM, and I can read this 4 into the record, your Honor, in case you can't get it 5 from Mr. Kirk.</p> <p>6 SPECIAL MASTER POPPITI: If you are 7 going to read it, read it slowly. I can get it to 8 Mr. Kirk, but that will require that I go back to another 9 room.</p> <p>10 Take your time reading it.</p> <p>11 MR. AMBROZY: I am reading from the Jean 12 documents, bates No. VS 025147, "Supplier shall retain 13 copies of and give Viewsonic access to all records 14 created or received during the performance under this 15 agreement for five years after the termination of this 16 agreement." And then other evidence in this document 17 that Viewsonic does have control of these, documents 18 which would give additional views and detail of the 19 monitors.</p> <p>20 SPECIAL MASTER POPPITI: Are you still 21 reading?</p> <p>22 MR. AMBROZY: No. Now I am reading from 23 VS 025159, quote, "All changes of specifications shall be 24 made only after a written engineering change request</p>	<p>1 this is, just taken in conjunction with depositions that 2 occurred out in California, the California, one of the 3 Jean employees, he is actually a Kaytronics employee 4 which is owned by Jean, was deposed -- and I am not going 5 to bring up anything that would violate the Court's 6 protective order in California -- but the substance of 7 the deposition was that there are highly detailed, what 8 they call "P.E. drawings," which are engineering drawings 9 that the assembly workers on the assembly line use to put 10 screws and mount the flat panel display devices into the 11 housing and basically make these monitors.</p> <p>12 So, it's our position, your Honor, that 13 at least under Federal Civil Procedure 34 that Viewsonic 14 does have custody and control of these documents and they 15 should be produced in response to LPL's discovery 16 request.</p> <p>17 SPECIAL MASTER POPPITI: Mr. Miller, is 18 there a dispute as to custody and control?</p> <p>19 MR. MILLER: Yes, your Honor. The 20 documents are that, A, we have never -- my client does 21 not have those documents. As Mr. Ambrozy points out, 22 they are held by OEMs which are completely independent of 23 Viewsonic. There is an agreement between the parties 24 pursuant to which Viewsonic purchases products that are</p>
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<p>1 ('ECR') is received and approved by the receiving party. 2 All other changes must be submitted to, and approved by, 3 Viewsonic prior to mass production."</p> <p>4 And then also from the Jean OEM contract 5 with Viewsonic, I am reading from VS 025170, it states, 6 "During each phase of the design process, Viewsonic 7 expects to receive product samples, test reports, and 8 supporting data evaluation."</p> <p>9 And then also from VS 025178, it reads, 10 "Final schematics," and these are in caps, "BOM to be 11 sent to Viewsonic within seven calendar days of PVT 12 approval."</p> <p>13 SPECIAL MASTER POPPITI: What's the 14 effective date of the agreement, please?</p> <p>15 MR. AMBROZY: July 21st, 2001.</p> <p>16 SPECIAL MASTER POPPITI: And is there an 17 end date?</p> <p>18 MR. AMBROZY: The end date, I think I 19 just read from VS 25147 -- no, your Honor, I don't know 20 the end date specifically. We can find that out and let 21 you know.</p> <p>22 SPECIAL MASTER POPPITI: The 025147, you 23 said five years after end date; correct?</p> <p>24 MR. AMBROZY: Correct. So, the point of</p>	<p>1 made by the OEMs. With the documents that we have 2 produced, the service manuals, which have the exploded 3 view drawings, are the only documents that Viewsonic has 4 that shows the assembly of these products and the manner 5 in which they are put together.</p> <p>6 Jean was a party in the California 7 litigation. LPL chose not to make them a party to this 8 case, for whatever reason, and now they are trying to 9 seek, through Viewsonic, discovery that they know 10 Viewsonic doesn't have that are held by third parties.</p> <p>11 SPECIAL MASTER POPPITI: Let me ask this 12 question: I mean, I certainly understand that something 13 is in my custody if I can reach over and pick it up and 14 touch it or if I can walk somewhere that I have access 15 to, rightful access to and pick it up and hold it, that's 16 custody, it seems to me, because I have got direct 17 access; doesn't control contemplate, and no one has given 18 me any authority to discuss this other than the sense 19 that "control" means if I have got a contractual right to 20 access a document that is in the custody of someone else 21 and is owned, if you will, by someone else, isn't that 22 control?</p> <p>23 MR. MILLER: I think the case law, your 24 Honor, is that it's not.</p>

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19 (Pages 70 to 73)

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<p>1 SPECIAL MASTER POPPITI: And I have been 2 provided with no case law.</p> <p>3 MR. MILLER: I think -- first off, this 4 issue is highly premature and only arose, you know, 5 around two or three weeks ago for the first time despite 6 the pendency of this dispute for months and months as 7 Mr. Ambrozy points out.</p> <p>8 So, there is no real -- there is no 9 recent discovery of this issue by LPL. The cases that 10 they are talking about where these documents were 11 available went to trial, one in July and one in October, 12 and they were co-counsel of record, lead counsel in one 13 and co-lead counsel of record in the other, and, so, they 14 are intimately familiar with these documents, I would 15 venture to say, long before the cases went to trial, but, 16 again, have declined to raise this issue until the 11th 17 hour, and now seek to impose it on this issue, which is 18 not ripe in any fashion for discussion.</p> <p>19 I can give you a couple of case cites if 20 you would like.</p> <p>21 SPECIAL MASTER POPPITI: What I would 22 like is, over the course of the break, if you would 23 exchange some case citations with each other and with me.</p> <p>24 MR. AMBROZY: Whether or not these</p>	<p>1 And we might just broaden that, besides just the Jean, 2 there were, I am looking at page 16 of the supplemental 3 submissions where Viewsonic states that they have 4 produced several agreements with suppliers previously in 5 this litigation, but when it's really analyzed, the Delta 6 electronics, the Jean company, and the Optima OEM 7 agreement were really only produced last Friday.</p> <p>8 SPECIAL MASTER POPPITI: Let me ask this 9 question of Mr. Miller: Can I expect, Mr. Miller, that 10 the agreements are, to a large extent, and I think you 11 referred to this earlier, they are templated, and if I am 12 to be focusing on language that deals with the 13 opportunity to access those documents, can I expect that 14 the language is similar in each of them, or am I going to 15 have to review each document?</p> <p>16 MR. MILLER: I believe, your Honor, that 17 the documents are templates to begin with. They are 18 negotiated. I have not verified, independently, whether 19 each of the agreements has this similar language, but 20 it's not the kind of language, I wouldn't think, that the 21 parties would ultimately negotiate differently, largely, 22 and, so, I think, you know, from the standpoint of 23 evaluation, we can look at one agreement, and to the 24 extent there are variations in other agreements, we can</p>
<p>1 documents were at issue in the other cases is really 2 irrelevant. The one case in Delaware had to do with 3 totally different technology as did the case out in 4 California. These are separate patents from separate 5 technology, and the fact that it only became a recent 6 issue -- and we would be happy to serve supplemental 7 briefing on this for your Honor -- the reason it became 8 an issue is because we only just became aware of the Jean 9 OEM agreement. It was only produced by Viewsonic on 10 December 22nd. And that, in conjunction with the 11 deposition testimony, which we have also only become 12 aware of, is why it's being put before your Honor now.</p> <p>13 SPECIAL MASTER POPPITI: That's why I 14 asked you for supplemental. I mean, I wanted to know 15 what developments were at hand up through a time period 16 that made sense for purposes of me addressing it. And I 17 think that's what you both did in your supplementals.</p> <p>18 In any event, if you will provide me 19 with the references, precise references, that is, the 20 language of the Jean document, and I am not looking to 21 study 10 or 15 cases. If you will each submit to me 22 several cases, if they are in the District, that's great; 23 if they are in the Circuit, that's perfect.</p> <p>24 MR. AMBROZY: Thank you, Your Honor.</p>	<p>1 deal with the ones that we know where we are on this one 2 agreement, I think.</p> <p>3 MR. AMBROZY: Your Honor, that's why 4 we'd like to broaden it a little bit because, as I said, 5 the Jean agreement was only produced on Friday, as well 6 as the other agreement, there is at least two others that 7 were at least just produced on Friday, so we'd like to 8 broaden it beyond what Mr. Miller suggested is just this 9 one agreement.</p> <p>10 MR. MILLER: I believe the language in 11 the Jean agreement is in the Tatung agreement that was 12 produced in 2005.</p> <p>13 SPECIAL MASTER POPPITI: That's why I 14 asked the question, whether I am going to have to review 15 each agreement for purposes of focusing on the issue of 16 custody and control. If I don't have to and I can focus 17 on the principle of custody and control, using the 18 language from the Jean agreement, which may be templated 19 throughout the agreements, then I'd prefer to do it that 20 way. If I need to look at each agreement, I am certainly 21 prepared to do that.</p> <p>22 MR. AMBROZY: Thank you, Your Honor.</p> <p>23 MR. MILLER: Your Honor, I can't 24 represent to you that they are all the same because I</p>

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20 (Pages 74 to 77)

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<p>1 haven't looked at them for that issue, unfortunately.</p> <p>2 SPECIAL MASTER POPPITI: I understand</p> <p>3 that. How many agreements to we expect?</p> <p>4 MR. AMBROZY: We would look through at</p> <p>5 least the three most recent, your Honor.</p> <p>6 SPECIAL MASTER POPPITI: And how many</p> <p>7 are there in the universe of agreements?</p> <p>8 MR. MILLER: I believe there is probably</p> <p>9 on the order of a dozen agreements.</p> <p>10 SPECIAL MASTER POPPITI: Okay. So, you</p> <p>11 know, the task is not significant to compare that</p> <p>12 language.</p> <p>13 MR. AMBROZY: In regard to the rest of</p> <p>14 the motion, your Honor?</p> <p>15 SPECIAL MASTER POPPITI: Yeah, please.</p> <p>16 MR. AMBROZY: We had also sought</p> <p>17 production of actual monitors.</p> <p>18 SPECIAL MASTER POPPITI: Right.</p> <p>19 MR. AMBROZY: And we wanted to just</p> <p>20 address that with your Honor in that Viewsonic initially</p> <p>21 provided -- initially agreed that they would provide</p> <p>22 monitors but only for the accused devices, and as your</p> <p>23 Honor knows, that started out with the VX 900 and then</p> <p>24 it, as the case progressed, just recently, LPL has</p>	<p>1 most companies, doesn't keep products that have gone out</p> <p>2 of sale in inventory, hopefully, in order to be</p> <p>3 successful. And, so, we are talking about a list of</p> <p>4 products that dates back over four years.</p> <p>5 The only products Viewsonic would have</p> <p>6 are products that are currently being sold or offered for</p> <p>7 sale in the United States. It doesn't maintain a museum,</p> <p>8 if you will, of old inventory.</p> <p>9 SPECIAL MASTER POPPITI: Well, if you</p> <p>10 don't have them, you can't give them.</p> <p>11 MR. MILLER: We told them where they can</p> <p>12 locate them. And as to new products, we have declined to</p> <p>13 let them inspect them, we have offered to sell to them</p> <p>14 because if they open up the package and take them out,</p> <p>15 start taking them apart, they become a used product and</p> <p>16 that's a cost that they should bear, not us.</p> <p>17 With regard to if we have other products</p> <p>18 that are laying around for one reason or another, that</p> <p>19 may be a dead product or something, we have -- we are</p> <p>20 willing to try to collect whatever we can of ancient</p> <p>21 products and make those available for an inspection as</p> <p>22 well, but it's only been, from LPL's side, just the</p> <p>23 intransigents. Just give us everything or nothing, so we</p> <p>24 have not -- that has not progressed.</p>
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<p>1 supplemented its interrogatory responses to include, I</p> <p>2 think it was eight or nine other Viewsonic monitors.</p> <p>3 SPECIAL MASTER POPPITI: Right.</p> <p>4 MR. AMBROZY: And we can get into the</p> <p>5 specifics of that later when we talk about the preclusion</p> <p>6 application, but the monitors that we are seeking are all</p> <p>7 the monitors that Viewsonic listed in response to LPL's</p> <p>8 interrogatory requests, I think it's interrogatory</p> <p>9 request No. 2 and 3, where we asked them to identify all</p> <p>10 their monitors. And we were seeking production or at</p> <p>11 least inspection of those monitors.</p> <p>12 And in response, I think you have seen</p> <p>13 from the briefing on this, Viewsonic basically pointed</p> <p>14 LPL to its web site and said, You can buy whatever you</p> <p>15 need off the web site. And when we went to the web site</p> <p>16 and tried to buy those monitors, the sum total that we</p> <p>17 were able to buy, I think there was only about six</p> <p>18 percent of the numerous monitors listed in Viewsonic's</p> <p>19 response that we were able to purchase online.</p> <p>20 So, we would like some guidance from</p> <p>21 Your Honor as to how we can work with Viewsonic to attain</p> <p>22 all those monitors, or at least inspect them.</p> <p>23 SPECIAL MASTER POPPITI: Mr. Miller.</p> <p>24 MR. MILLER: Your Honor, Viewsonic, like</p>	<p>1 We are happy to sit down and try to work</p> <p>2 out a solution if there are, you know, dinosaurs laying</p> <p>3 around somewhere that they can look at, we are not</p> <p>4 intending to hide them. We are happy to let them look at</p> <p>5 them.</p> <p>6 MR. AMBROZY: I think that's why these</p> <p>7 documents that Jean are contractually obligated to keep</p> <p>8 from five years after the termination of that agreement</p> <p>9 becomes so important.</p> <p>10 SPECIAL MASTER POPPITI: We will get to</p> <p>11 Jean in a moment after I have the opportunity to do the</p> <p>12 work that I suggested I need to do.</p> <p>13 But with respect to the monitors,</p> <p>14 themselves, it seems to me what Mr. Miller is saying</p> <p>15 makes sense. I mean, if they have them, they said they</p> <p>16 are going to provide them. If they are new product, it</p> <p>17 seems to me that it is appropriate for you to purchase</p> <p>18 them. It should be at your cost.</p> <p>19 If there are dinosaurs laying around,</p> <p>20 then I will take Mr. Miller at his word that they will do</p> <p>21 a search, and at the end of that search, they will advise</p> <p>22 what they have for you to either inspect or even purchase</p> <p>23 a dinosaur if they are willing to -- if they are willing</p> <p>24 to let that go, and I would like some time frame as to</p>

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21 (Pages 78 to 81)

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1 when all of that occurs. 2 I don't hear Mr. Miller saying that they 3 are not going to make these available. 4 MR. AMBROZY: Again, Your Honor, and I 5 agree that they are not -- that he shouldn't be ordered 6 to produce something that he cannot produce. 7 SPECIAL MASTER POPPITI: Right. 8 MR. AMBROZY: But getting back to our 9 point, and I understand we will get back to the Jean, but 10 that does make those documents the best available 11 evidence of the monitors that were previously sold. 12 SPECIAL MASTER POPPITI: It may be. But 13 I want to focus on the hardware, if you will, and I would 14 just like a representation from the both of you as to 15 when you can expect there will be some resolution to the 16 process of what exists, new product that will be 17 purchased, old product that will either be inspected or 18 purchased, and a representation by Mr. Miller that that 19 does constitute the universe of expected -- of available 20 product. 21 MR. MILLER: Your Honor, I am happy to 22 do that with dispassion. I can only make so many demands 23 on my client in terms of the things we have agreed to for 24 the 19th.	1 dinosaurs that are ours. 2 SPECIAL MASTER POPPITI: Right. 3 MR. MILLER: And are in our facilities. 4 SPECIAL MASTER POPPITI: Is the date of 5 the 26th doable? 6 MR. AMBROZY: Just to clarify, Your 7 Honor, when Mr. Miller says that he is looking at 8 Viewsonic, does that include Viewsonic -- I am not sure 9 of the proper name, Scott -- but Viewsonic America or the 10 other entities of Viewsonic? 11 MR. MILLER: I would be looking at 12 Viewsonic America, which would be the only place I would 13 expect to find the U.S. products. I mean, if we are 14 going to expand this to overseas, it's going to take 15 substantially longer. 16 MR. AMBROZY: We will start with the 17 U.S. products, but that brings, Your Honor, brings us to 18 another point -- 19 SPECIAL MASTER POPPITI: No new points. 20 We will keep it to what was asked for. I will look at 21 the document that you are going to provide to me over the 22 break, and if it becomes an issue that is looking 23 overseas, we can join that issue at some other point. 24 MR. MILLER: Your Honor, as to the 26th,
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1 This is going to be a, you know, a 2 looking around for dinosaur kind of project. It's not 3 going to be that straightforward. I am going to need 4 some time, I would think, you know, until the end of 5 January, perhaps, to get that list assembled. I mean, 6 the products that are available for purchase obviously 7 are on our web site and they can get those at any time 8 they choose. 9 SPECIAL MASTER POPPITI: And those that 10 are available for purchase and if they are on the web 11 site, that can be done right away. 12 To search for dinosaurs, I mean, how 13 many are we -- how many exist? Any idea? 14 MR. MILLER: There is 216 products 15 listed on our list, and we are looking through a, you 16 know, five or 600,000 foot facility, which is warehouse 17 and office and it may be on somebody's desk, that we are 18 going to have to try to locate some of these things. So 19 it's not a -- it's not just an easy task, I don't 20 believe. 21 SPECIAL MASTER POPPITI: And are we 22 talking about dinosaurs that are yours or dinosaurs that 23 may be in the possession of the OEMs? 24 MR. MILLER: No. We are talking about	1 could I ask for the 29th to give me another weekend, if 2 necessary, to scrounge around, please? 3 SPECIAL MASTER POPPITI: 29th is fine. 4 Okay. We are just about at 1:30. Did that finish that 5 particular application? 6 MR. AMBROZY: The only issue remaining, 7 Your Honor, was the fact of the limitation to U.S. sales 8 which we think is improper. 9 We believe that our discovery should be 10 responded to to include monitors that are imported to the 11 U.S. as well as monitors that might go to Mexico, are 12 assembled or put under a different brand name and then 13 make their way into the United States. So just limiting 14 the search to just monitors that are imported by 15 Viewsonic into the United States, we think, is too 16 narrow. 17 SPECIAL MASTER POPPITI: Mr. Miller. 18 MR. MILLER: I think we have retrenched 19 to the motion I thought we had finished which was the 20 information about sales. This was technical documents 21 and those sorts of things. 22 Is that what you are doing, Rel? 23 MR. AMBROZY: No. I am trying to get 24 before his Honor the proper scope of the requests, which